

## Message Text

SECRET

PAGE 01 MANILA 10478 190416Z

20

ACTION EA-09

INFO OCT-01 ISO-00 CIAE-00 PM-04 H-02 INR-07 L-03 NSAE-00

NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 ACDA-07 OMB-01

SAJ-01 /065 W

----- 057931

P 170448Z JUL 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 7599

INFO SECDEF WASHDC PRIORITY

JCS WASHDC PRIORITY

CINCPAC HONOLULU PRIORITY

CINCPACAF PRIORITY

CINCPACFLT PRIORITY

CINCPACREPPHIL SUBIC PRIORITY

CG 13TH AF CLARK PRIORITY

S E C R E T MANILA 10478

CINCPAC ALSO FOR POLAD

FROM USDEL 131

E.O. 11652: GDS

TAGS: MARR, RP

SUBJECT: PHILIPPINE BASE NEGOTIATIONS: ASSESSMENT - FIFTH WEEK

REF: (A) MANILA 10353; (B) MANILA 10463

1. WE HAVE NOW CONCLUDED FIVE WEEKS OF NEGOTIATIONS ON THE SUBJECT OF MILITARY BASES IN THE PHILIPPINES AND HAVE MADE ONLY LIMITED PROGRESS TOWARDS AN AGREEMENT. NEVERTHELESS, WE BELIEVE WE HAVE A REASONABLY GOOD IDEA OF THE SORT OF AGREEMENT WHICH IS FEASIBLE AND HAVE GIVEN OUR ESTIMATES OF THE NATURE OF THAT DOCUMENT IN REFTELS A AND B. WE ARE CURRENTLY ENGAGED WITH THE PHILIPPINE PANEL IN DEVELOPING A STATUS REPORT OF AGREED AND DISAGREED POINTS.

SECRET

SECRET

PAGE 02 MANILA 10478 190416Z

2. FROM THESE VARIOUS EFFORTS, IT WILL EMERGE CLEARLY THAT OUR PRINCIPAL DIFFICULTIES LIE WITH THE PHILIPPINE EFFORT TO DEMONSTRATE BY AGREED VERBIAGE THAT THEIR "SOVEREIGNTY" ENCOMPASSES "CONTROL" OVER THE BASES. THEY WISH TO DEMONSTRATE THIS "CONTROL" THROUGH THE APPLICATION OF PHILIPPINE LAW, THROUGH THE REQUIREMENT FOR PHILIPPINE "CONSENT" IN VARIOUS MATTERS, THROUGH THE IMPOSITION OF PHILIPPINE TAXES, AND THROUGH THE REDUCTION IN TERM OF OUR TENURE.

3. THE NEGOTIATING PANEL, WITH THE POSSIBLE EXCEPTION OF SEN. PELAEZ, SEEMS TO REALIZE THAT ALL THESE OBJECTIVES ARE NOT ATTAINABLE. HOWEVER, THEY SEEM TO HAVE RECEIVED FAIRLY INFLEXIBLE INSTRUCTIONS FROM THEIR NATIONAL SECURITY COUNCIL, WHICH, IN THE FINAL ANALYSIS IS PRESIDENT MARCOS HIMSELF. CONSEQUENTLY, ALTHOUGH THEY CONTINUALLY GIVE US INFORMAL INDICATIONS OF THEIR WILLINGNESS TO REACH COMPROMISES, THEY STATE THAT THEIR CURRENT INSTRUCTIONS DO NOT PERMIT THEM TO ACT UPON THAT WILLINGNESS.

4. I HAVE THE IMPRESSION THAT THE CURRENT EXERCISE IN PREPARING AN "AUDIT REPORT" OF OUR STATUS, WHICH WAS SUGGESTED BY THE PHILIPPINE PANEL, MAY BE INTENDED TO GIVE MARCOS AN IDEA OF WHERE AND WHAT THE STICKING POINTS ARE. HE COULD THEN DECIDE HOW MANY OF THESE HE WOULD BE PREPARED TO CONCEDE IF THE COLOR OF OUR QUID IS RIGHT.

5. THIS IMPRESSION IS FORTIFIED BY AN ANALYSIS OF THE WAY IN WHICH THE FILIPINOS HAVE HANDLED THE MATTER OF QUID. ALTHOUGH THEY ACKNOWLEDGE THAT IT IS INCUMBENT UPON THEM TO DRAFT AN ARTICLE ON THIS SUBJECT AND TO INDICATE THEIR GENERAL FINANCIAL DESIRES, THEY HAVE BEEN HOLDING BACK, PRESUMABLY TO SEE WHETHER THEY CONSIDER THAT THE GAME IS WORTH THE CANDLE (OR MORE ACCURATELY, WHETHER THE QUID CANDLE IS WORTH THE AGREEMENT GAME).

6. THEIR HESITANCY MAY ALSO BE INFLUENCED  
SECRET

SECRET

PAGE 03     MANILA 10478 190416Z

BY THE FACTOR OF US POLITICS. THEY HAVE BEEN FOLLOWING THE US PRESIDENTIAL PROCESS CLOSELY AND HAVE PRIVATELY EXPRESSED SOME CONCERN WHETHER, AS A RESULT EITHER OF THE NOMINATING PROCESS OR THE ELECTION, THEY WILL BE DEALING WITH AN UNKNOWN QUANTITY IN THE NEAR FUTURE. GOVERNOR REAGAN'S REMARKS ON PANAMA HAVE NOT ESCAPED THEIR ATTENTION.

7. GIVEN THIS SITUATION, IT STILL APPEARS POSSIBLE, IN MY JUDGMENT, TO ARRIVE IN THE NEXT COUPLE OF WEEKS AT AN ARRANGEMENT OF POINTS AND COUNTERPOINTS WHICH COULD BE KNOCKED QUICKLY TOGETHER INTO A SATISFACTORY AGREEMENT. THE MAJOR MISSING INGREDIENT IN THE ARRANGEMENT AT THE CURRENT TIME IS THE QUID. IT WILL, OF COURSE, REQUIRE FILIPINO INITIATIVE TO REQUEST IT IN A MORE EXPLICIT FORM. BUT, IT WILL ALSO REQUIRE US ACTION IN WASHINGTON TO BE ABLE TO RESPOND TO THAT REQUEST.

8. IN SHORT, IF THE PHILIPPINES WANTS AN AGREEMENT IN THE NEAR FUTURE, I THINK A SATISFACTORY ONE IS FEASIBLE PROVIDED WE ARE ABLE TO MAKE A FIRM DEAL ON THE QUID. IF, FOR REASONS INVOLVING THEIR OBSERVATION OF POLITICAL EVENTS IN THE US, OR INVOLVING THEIR EFFORTS WITH RESPECT TO THE NON-ALLIGNED CONFERENCE, OR FOR OTHER REASONS, THEY PREFER TO DELAY, THEY CAN DO SO BY CONTINUING TO STALL ON THE QUESTION OF QUID. IN THAT CASE, WE COULD REASONABLY EXPECT TO SHAPE UP THE ARRANGEMENT INTO A PATTERN READY FOR ASSEMBLY, AND THEN RECESS UNTIL A MORE PROPITIOUS TIME. THE IMPORTANT FEATURE, IN THE LATTER EVENT, WOULD BE TO DO IT GRACEFULLY, SO THAT THE PROSPECT OF A SUCCESSFUL AGREEMENT IS PUBLICLY PRESERVED AND OUR BASES CAN CONTINUE TO FUNCTION WITHOUT HARRASSMENT.

9. IF, FOR REASONS OF THEIR DESIRE TO APPEAR MORE "NON-ALIGNED," OR FOR REASONS ASSOCIATED WITH THEIR ASSESSMENT OF THE POLITICAL SITUATION IN THE US, THEY COME TO THE CONCLUSION THAT THE ISSUE ABOUT US BASES IS WORTH MORE THAN AN AGREEMENT WITH US ON THE SUBJECT, THEY COULD CHOOSE TO USE THE ABSENCE OF PROGRESS,

SECRET

SECRET

PAGE 04     MANILA 10478 190416Z

THE "AUDIT REPORT," AND THE FACT THAT THEY HAVE NEVER EXPLICITLY ASKED US FOR ANY PARTICULAR SUM OF MONEY TO DEMONSTRATE THAT THE NEGOTIATIONS FAILED BECAUSE WE HAVE INADEQUATE RESPECT FOR THEIR SOVEREIGNTY.

10. ON BALANCE, I STILL FEEL THE EXTERNAL FACTORS ARE SUCH THAT MARCOS PREFERS TO HAVE AN AGREEMENT WITH THE US RATHER THAN A SCRAP. THE FACT THAT THE FILIPINOS STILL LAY GREAT STORE BY THEIR INTEREST IN HAVING SECRETARY KISSINGER COME HERE IN AUGUST LENDS SUBSTANCE TO THIS ASSESSMENT.

SULLIVAN  
UNQUOTE

SECRET

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENT DRAFT, MILITARY BASE AGREEMENTS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** BoyleJA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976MANILA10478  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760276-1016  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760747/aaaabpit.tel  
**Line Count:** 168  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** SECRET  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** SECRET  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 MANILA 10353, 76 MANILA 10463  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** BoyleJA  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 JUN 2004 by CunninFX>; APPROVED <27 SEP 2004 by BoyleJA>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PHILIPPINE BASE NEGOTIATIONS: ASSESSMENT - FIFTH WEEK  
**TAGS:** MARR, RP, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006